HHSDC
California Health and Human Services Agency
Data Center

Rates and Cost Recovery Branch

Karen Leon, Manager   739-7517

Staff: Sue Manard   454-7275   Deborah Overmyer   739-7813
       Jose Samano   454-7276   Anne Boschert   454-7257

Purpose of the Rates Guide: To provide our customers with information regarding rate setting methodologies, rate structures, and the billing processes used by the Data Center.

Overview: The Health and Human Services Data Center (HHSDC) provides information technology (IT) services to other departments of the State of California, primarily Health and Human Services Agency departments. The Data Center operates on a fee-for-service basis, and is completely self-supporting. All costs are recovered through charges to customer agencies, with no general fund appropriations.

The complete HHSDC Rates Guide is available on the Internet. It is located at http://www.hhsdc.ca.gov/services/rates.asp

Contents: The Guide is divided into six major components, as follows.

Rate Process

     Establishments of Rates
     Forecasting
     Allocation of Costs
     Depreciation Procedures

Cost Centers

     Provides a description of the services offered by cost center as well as the measurement and description of the charges for each service.

Project Cost Centers

     Provides the cost allocation and charges for each of the statewide automation project sites.

Department IDs and Account Codes

     Definition of the code's structure, its use, and its purpose.

Invoicing/Billing

     Describes the billing components and customer invoicing process, the billing correction process, and the reconciliation process.

ESTABLISHMENT OF RATES

The Data Center categorizes costs into separate groups or cost centers that are directly related to each service provided to customers. The Data Center attempts to recover cost center costs through its billing structure. Specifically, the Data Center develops customer billing rates by:

- Forecasting costs that must be recovered through user charges.
- Assigning these costs to cost centers for which billing rates are developed.
- Determining an appropriate rate structure for charging customers.

In order to recover costs of services provided, the Data Center has two primary responsibilities:

- Identify and justify costs of providing its services.
- Establish fair and reasonable rates to recover these costs.

The amount billed to a customer each month for a specific cost center is based on:

- Measured usage,
- Flat Monthly Fee-for-Service, and/or
- Direct-charges.

Annually, the HHSDC determines whether the current billing rates and forecasted revenues will be sufficient to recover each cost center's forecasted costs during the upcoming budget year. A 'Rate Package' is developed for PAC (Policy Advisory Council) members and customers, which includes forecasts of cost center expenses and utilization, potential new billing rates, as well as potential billing impact on customers based on a selected prior month of utilization.

FORECASTED UTILIZATION

To develop the cost center rates, the HHSDC must forecast its customers' budget year utilization for each cost center. This is achieved by analyzing past and present utilization levels, and factoring in the predicted growth for each cost center. Predicted growth is based on historical trends and customer projections.

Customers are asked to provide the HHSDC with their workload data three times a year. These projections in the CICS, TSO, ADABAS, and Batch workload areas are factored by each department's workload profile. A workload profile documents the average resources consumed for an average job for a particular department. From these, consumption trends for each cost center are developed then compared to historical trends.

Cost center managers (managers charged with providing a cost center service) prepare and/or review utilization forecasts.

ALLOCATION OF COSTS

There are three types of estimated expenses recovered by the HHSDC: Direct Expenses, Indirect Expenses, and Dedicated Expenses as listed in the following table:

Expenses	Characteristics
Direct Expenses	Expenses attributable to a specific cost center.
Indirect Expenses	Expenses that cannot be attributed to a specific cost center; therefore, are charged to an administrative overhead cost center and then prorated back to the processing cost centers (based on their percentage to total direct expenses).
Dedicated Expenses	Specific customer purchase requests for hardware, software, telephone lines, etc., which are provided to a single customer. Customers are directly billed for their dedicated expenses as a pass-through cost.

After determining whether an expense is direct, indirect, or dedicated, the expense is further categorized into one of four components of the rate package, as follows:

Expense Component	Characteristics
Hardware Expenses	Hardware expenses are assigned to a cost center for various types of EDP equipment necessary to support the service provided under that cost center. The HHSDC depreciates expenses related to the acquisition of nonexpendable property in accordance with the State Administrative Manual (SAM) as well as direction from applicable federal regulations. Due to changing technology, there are cases where the useful service life of an item has been determined to be less than guideline. The HHSDC maintains supporting documentation for those items.
Software Expenses	Software expenses are for software products that support the operation of that particular cost center. See the "SOFTWARE SUPPORT CHARGE POLICY" section.
Personnel Expenses	All personnel are allocated based on the functions they perform within the cost centers that they support. All administrative personnel and specific managerial personnel (HHSDC-wide) are allocated to the administrative overhead cost center since their work cannot be assigned to specific cost centers.
Miscellaneous Expenses	These expenses are for all other costs the HHSDC incurs during the year (i.e., facilities rent, general consumable supplies, utilities, etc.) and are assigned proportionally to all cost centers.

Cost center managers are responsible for managing cost center expenditures in accordance with the rate structure.

DEPRECIATION PROCEDURES

To comply with state and federal guidelines, hardware and software purchases will be amortized or depreciated in the rate package by utilizing the following rules:

Hardware Depreciation

To stay in compliance with federal regulations (45 CFR Subpart G), EDP hardware purchases are depreciated if the unit acquisition is over $5,000. Specifically, the depreciated price includes all expenses associated with the acquisition of the hardware except for interest expense. Useful life (for depreciation purposes) is based on documented industry standards for the specific EDP hardware or federal Internal Revenue Service (IRS) guidelines for depreciation. Due to the enhanced acceleration of technology improvements, a vast majority of EDP hardware is obsolete in 36 to 48 months. Therefore, depreciation of specific categories or items is analyzed on a case-by-case basis utilizing manufacturers and/or industry recommendations of useful life. Some examples of depreciation standards currently in use by the HHSDC are listed below:

Timberline (tape) Transports	Months
Direct Access Storage Devices (DASD)	36 months
Mainframe (CPU) Complexes	48 months
Front-End Processors (FEP)	36 months
Routers	36 months

To be consistent with IRS guidelines, all EDP hardware depreciation is based on a straight-line calculation with $0 salvage value. All hardware upgrades to extend useful life are treated in the same manner as the original hardware purchase.

Software Depreciation

EDP software purchases and/or expenses are for software products supporting the operation of the cost center. Each software purchase over a unit acquisition cost of $5,000 is depreciated over its useful life. Specifically, the depreciated price includes all expenses associated with the acquisition of the software, except for interest expense. The depreciation methodology used for software is consistent with IRS guidelines to allow for the depreciation of all software over 36 months. All EDP software depreciation is based on a straight-line calculation with $0 salvage value.

COST CENTERS

The tables and information listed below provide definition of billing methods for particular cost centers:

COST CENTER 001 - CPU

Attribute	Description
COST ALLOCATION	CPU charges recover all components of CPU cost center resources. Components include hardware/software, personnel, and overhead. Hardware in this cost center includes portions of the CPU mainframes, Sysplex timers, FEPs, etc. Software allocated to this cost center is in support of the operating system (ie. MVS/ESA-JES2, VM/ESA, ADABAS, IDMS, CICS, etc.). Other expenses include personnel, miscellaneous, and overhead expenses.
MEASUREMENT	The unit of measurement for this resource is per CPU hour.
UTILIZATION	MVS CPU utilization is captured per job step. The CPU utilization is composed of System Request Block (SRB) processor time and Task Control Block (TCB) processor time. VM CPU utilization is captured per job.

CPU utilization is measured at the individual user level by account code per job step for batch and TSO. For VM systems, CPU utilization is measured at the individual user level by account code level. For database systems, such as ADABAS, IDMS, and CICS, CPU utilization is measured at the monitor level by department rather than by individual user functions. The HHSDC has implemented alternative measurement algorithms to capture utilization at the account code level for individual database users. |
| CHARGES | The System Management Facility (SMF) Monitor captures MVS CPU utilization information and an SMF record is written for each transaction at the job step level. VM CPU utilization information is captured by the VM Monitor facility and is processed into MICS format by MICS code running on the VM system. Next, the VM billing data is transferred to the MICS system (MVS) to be processed along with other external billing files.

This SMF record is then passed to the MVS Integrated Control System (MICS) billing system where the SMF records are formatted, sorted, summarized, processed, and charged for at the CPU resource rate. The billing data is also sorted by department ID and account code. Processor charge (PC) equals processor time (PT) multiplied by the CPU rate (R). PC = PT x R.

The HHSDC's CPU rate is based on the IBM 3090-600S CPU hour. The CPU rate is normalized to other CPUs based on SRM constants determined and set by manufacturers. The normalization factor is computed based on the ratio of the different CPU SRM constants. This normalization factor is applied to the HHSDC's base CPU rate to compute the corresponding CPU rate for other CPUs. |

INVOICE CATEGORIES associated with COST CENTER 001:

Invoice Category	Invoice Category Definition	Unit	Rate	Normalization Factor	Normalized CPU Rate (3090-600S)	Actual CPU	Cost Center
1101	CENTRAL PROCESSOR-BATCH(S1)	Hour	$1,890.44	7.6567	$246.90	9672-X87	001
1103	CENTRAL PROCESSOR-TSO(S1)	Hour	$1,890.44	7.6567	$246.90	9672-X87	001
1105	CENTRAL PROCESSOR-BATCH(S2	Hour	$3,059.81	12.3929	$246.90	2064-1C5	001

Invoice Category	Invoice Category Definition	Unit	Rate	Normalization Factor	Normalized CPU Rate (3090-600S)	Actual CPU	Cost Center
1106	CENTRAL PROCESSOR-TSO(S2)	Hour	$3,059.81	12.3929	$246.90	2064-1C5	001
1107	VM TOTAL CPU	Hour	$597.47	2.4199	$246.90	9672-RB5	101
1108	ADABAS CPU	Hour	$1,890.44	7.6567	$246.90	9672-X87	141
1109	CICS CPU	Hour	$1,890.44	7.6567	$246.90	9672-X87	216
1110	IDMS CPU	Hour	$1,890.44	7.6567	$246.90	9672-X87	145

ROLL-UP COST CENTERS associated with COST CENTER 001:

Roll-Up Cost Center	Description	Cost Center	Description
101	VM CPU	001	CPU
141	ADABAS CPU	001	CPU
145	IDMS CPU	001	CPU
216	CICS CPU	001	CPU

ROLL-UP COST CENTER 101 (associated with 001) – VM CPU

Attribute	Description
COST ALLOCATION	VM CPU costs are not separate from CPU expenses (Cost Center 001). The expenses of the VM CPU are part of overall total CPU expenses. This cost center has been set up to enable the HHSDC to track VM CPU utilization separately.
MEASUREMENT	The unit of measurement for this resource is per CPU hour.
CHARGES	The HHSDC does not have separate specific CPU rates for each processor type. The HHSDC CPU rate is based on the IBM 3090-600S CPU hour. The CPU rate is normalized to other CPUs based on SRM constants determined and set by manufacturers. The normalization factor is computed based on the ratio of the different CPU SRM constants. This normalization factor is applied to the HHSDC's base CPU rate to compute the corresponding CPU rate for other CPUs. VM CPU utilization information is captured by the VM Monitor facility and is processed into MICS format by MICS code running on the VM system. The VM billing data is then transferred to the MICS system to be processed along with other external billing files. The VM CPU charge is the VM CPU processor time multiplied by the CPU rate.

ROLL-UP COST CENTER 141 (associated with 001) – Adabas CPU

Attribute	Description
COST ALLOCATION	ADABAS CPU costs are not separate from CPU expenses (Cost Center 001). The expenses of the ADABAS CPU are part of the overall total CPU expenses. This cost center has been set up to enable the HHSDC to track ADABAS CPU utilization separately.
MEASUREMENT	The unit of measurement for this resource is per CPU hour.
CHARGES	The HHSDC does not have separate specific CPU rates for each processor type. The HHSDC CPU rate is based on the IBM 3090-600S CPU hour. The CPU rate is normalized to other CPUs based on SRM constants determined and set by manufacturers. The normalization factor is computed based on the ratio of the different CPU SRM constants. This normalization factor is applied to the HHSDC's base CPU rate to compute the corresponding CPU rate for other CPUs. ADABAS CPU utilization is captured and recorded in an external billing file to be processed by the HHSDC's MICS billing system. The ADABAS CPU charge is the ADABAS CPU processor time multiplied by the CPU rate.

ROLL-UP COST CENTER 145 (associated with 001) – IDMS CPU

Attribute	Description
COST ALLOCATION	IDMS CPU costs are not separate from CPU expenses (Cost Center 001). The expenses of the IDMS CPU are part of the overall total CPU expenses. This cost center has been set up to enable the HHSDC to track IDMS CPU utilization separately.
MEASUREMENT	The unit of measurement for this resource is per CPU hour.
CHARGES	The HHSDC does not have separate specific CPU rates for each processor type. The HHSDC CPU rate is based on the IBM 3090-600S CPU hour. The CPU rate is normalized to other CPUs based on SRM constants determined and set by manufacturers. The normalization factor is computed based on the ratio of the different CPU SRM constants. This normalization factor is applied to the HHSDC's base CPU rate to compute the corresponding CPU rate for other CPUs. IDMS CPU utilization is captured and recorded in an external billing file to be processed by HHSDC's MICS billing system. The IDMS CPU charge is the IDMS CPU processor time multiplied by CPU rate.

ROLL-UP COST CENTER 216 (associated with 001) – CICS CPU

Attribute	Description
COST ALLOCATION	CICS CPU costs are not separate from CPU expenses (Cost Center 001). The expenses of the CICS CPU are part of the overall total CPU expenses. This cost center has been set up to enable the HHSDC to track CICS CPU utilization separately.
MEASUREMENT	The unit of measurement for this resource is per CPU hour.
CHARGES	The HHSDC does not have separate specific CPU rates for each processor type. The HHSDC CPU rate is based on the IBM 3090-600S CPU hour. The CPU rate is normalized to other CPUs based on SRM constants determined and set by manufacturers. The normalization factor is computed based on the ratio of the different CPU SRM constants. This normalization factor is applied to the HHSDC's base CPU rate to compute the corresponding CPU rate for other CPUs. The CICS CPU charge is the CICS CPU processor time multiplied by the CPU rate.

COST CENTER 008 – TAPE I/O CONNECT

Attribute	Description
COST ALLOCATION	Tape I/O connect charges recover all components of cost center resources. Components include hardware, some software, personnel, miscellaneous, and overhead expenses. Hardware in this cost center includes portions of the automated cartridge system, tape drives, and controllers. Software includes the Tape Management System, etc.
MEASUREMENT	The unit of measurement for this resource is per tape I/O connect second.
UTILIZATION	Tape I/O connect time measures the total amount of time a device is connected to a channel path while I/O requests are being issued for data transfer or device control operations.
CHARGES	Tape I/O connect time is captured by the SMF monitor and an SMF record is written for the total I/O connect time at the account code level. The SMF records are passed to the MVS Integrated Control System billing system where they are formatted into accounting records and the I/O connect time charge for the job is determined. CHARGE = TAPE I/O CONNECT TIME X RATE

INVOICE CATEGORY associated with COST CENTER 008:

Invoice Category	Invoice Category Definition	Unit	Rate	Cost Center
1407	TAPE DEVICE CONNECT TIME	Sec	$0.023	008

COST CENTER 016 – DISK I/O CONNECT

Attribute	Description
COST ALLOCATION	DISK utilization charges recover all components of cost center resources. Components include hardware, personnel, and overhead expenses. Hardware includes portions of various types of controllers and disk storage devices of various plug-compatible manufacturers (PCMs). Hardware expenses are divided between this cost center – 15 percent allocation, and cost center 300 (Disk Storage) – 85 percent allocation.
MEASUREMENT	The unit of measurement for this resource is per disk I/O connect second.
UTILIZATION	Disk utilization is measured by the total amount of time a device was connected to a channel path during data transmission. Data transmission is data transfer or device control operations.
CHARGES	The SMF monitor captures disk utilization resource information and an SMF record is written for each transaction at the account code level. This SMF record is then passed to the MICS billing system where the records are summarized by account code and charged for at the appropriate rate. CHARGE = DISK I/O CONNECT TIME X RATE

INVOICE CATEGORIES associated with COST CENTER 016:

Invoice Category	Invoice Category Definition	Unit	Rate	Cost Center
1210	VM NONSPOOLED KSIOs	1000 SIO	$0.032	016
1215	DASD CONNECT TIME – ADABAS	Sec	$0.014	016
1216	DASD CONNECT TIME – CICS	Sec	$0.014	016
1217	DASD CONNECT TIME – IDMS	Sec	$0.014	016
1507	DASD DEVICE CONNECT TIME – BATCH	Sec	$0.014	016
1508	DASD DEVICE CONNTECT TIME – TSO	Sec	$0.014	016

ROLL-UP COST CENTERS associated with COST CENTER 016:

Roll-Up Cost Center	Description	Cost Center	Description
116	VM NON-SPOOLED KSIOs	016	DISK I/O CONNECT
142	ADABAS I/O CONNECT	016	DISK I/O CONNECT
146	IDMS I/O	016	DISK I/O CONNECT
217	CICS I/O	016	DISK I/O CONNECT

ROLL-UP COST CENTER 116 (associated with 016) – VM NONSPOOLED KSIOs

Attribute	Description
COST ALLOCATION	VM nonspooled KSIO costs are not separate from MVS disk I/O expenses (Cost Center 016). The expenses of the VM nonspooled KSIOs are part of overall total disk I/O expenses. In the VM operating system, disk I/O connect is measured in thousandths of start I/Os rather than disk I/O connect time. The VM operating system does not provide disk I/O connect time. This cost center has been set up to enable the HHSDC to track VM non-spooled KSIO utilization separately.
MEASUREMENT	The unit of measurement for this resource is per 1000 (K) SIOs.

CHARGES	The VM nonspooled KSIO rate is directly derived from the MVS disk I/O connect time rate by the use of a conversion factor. That is, a conversion factor was derived based on samplings and ratio of disk I/O connect time to disk I/O SIOs. The VM nonspooled KSIO utilization is captured by the VM Monitor facility and is processed into MICS format by MICS code running on the VM system. Next, the VM billing data is transferred to the MICS system to be processed along with other external billing files. The VM nonspooled KSIOs charge is the VM nonspooled KSIOs multiplied by the VM nonspooled KSIO rate.

ROLL-UP COST CENTER 142 (associated with 016) – ADABAS DISK I/O CONNECT

Attribute	Description
COST ALLOCATION	ADABAS disk I/O costs are not separate from disk I/O expenses (Cost Center 016). The expenses of the ADABAS disk I/O are part of overall total disk I/O expenses. This cost center has been set up to enable the HHSDC to track ADABAS disk I/O utilization separately.
MEASUREMENT	The unit of measurement for this resource is per disk I/O connect second.
CHARGES	The HHSDC does not have separate specific ADABAS disk I/O rates for each storage device type. The HHSDC has a single disk I/O connect rate. ADABAS disk I/O utilization is captured and recorded in an external billing file to be processed by the HHSDC's MICS billing system. The ADABAS disk I/O connect charge is the amount of ADABAS disk I/O connect seconds multiplied by current disk I/O connect rate.

ROLL-UP COST CENTER 146 (associated with 016) – IDMS DISK I/O CONNECT

Attribute	Description
COST ALLOCATION	IDMS disk I/O costs are not separate from disk I/O expenses (Cost Center 016). The expenses of the IDMS disk I/O are part of overall total disk I/O expenses. This cost center has been set up to enable the HHSDC to track IDMS disk I/O utilization separately.
MEASUREMENT	The unit of measurement for this resource is per disk I/O connect second.
CHARGES	The HHSDC does not have separate specific IDMS disk I/O rates for each storage device type. The HHSDC has a single disk I/O connect rate. IDMS disk I/O utilization is captured and recorded in an external billing file to be processed by the HHSDC's MICS billing system. The IDMS disk I/O connect charge is the amount of IDMS disk I/O connect seconds multiplied by current disk I/O connect rate.

ROLL-UP COST CENTER 217 (associated with 016) – CICS DISK I/O CONNECT

Attribute	Description
COST ALLOCATION	CICS disk I/O costs are not separate from disk I/O expenses (Cost Center 016). The expenses of the CICS disk I/O are part of overall total disk I/O expenses. This cost center has been set up to enable the HHSDC to track CICS disk I/O utilization separately.
MEASUREMENT	The unit of measurement for this resource is per disk I/O connect second.
CHARGES	The HHSDC does not have separate specific CICS disk I/O rates for each storage device type. The HHSDC has a single disk I/O connect rate. The CICS disk I/O connect charge is the amount of CICS disk I/O connect seconds multiplied by current disk I/O connect rate.

COST CENTER 038 - PRINT

Attribute	Description
COST ALLOCATION	Print charges recover all components of print cost center resources. Components include hardware, software, personnel, miscellaneous, and overhead expenses. In FY 97/98, the HHSDC outsourced its impact printing, and in FY 99/00 the HHSDC outsourced its laser printing. Excess printing devices were surplused and personnel allocations redirected. Contractual costs for the outsourced printing were placed in miscellaneous expenses. The contract for both impact and laser printing includes forms cost. The HHSDC still retains some hardware and software to handle critical internal printing.
MEASUREMENT	The unit of measurement for this resource is per page.
UTILIZATION	Pages printed locally on laser printers and impact/laser pages printed by print outsourcing vendor.
CHARGES	Pages printed resource information is captured by the SMF monitor. This record is then passed to the MICS billing system where the records are formatted, summarized, and charged for at the appropriate pages printed. The pages printed rate is the number of pages printed (K) multiplied by the rate (R) equals the charge. Charge = K x R

INVOICE CATEGORIES associated with COST CENTER 038:

Invoice Category	Invoice Category Definition	Unit	Rate	Cost Center
1311	Print	Page	$0.038	038
1312	Print	Page	$0.038	038

COST CENTER 040 – COMPUTER OUTPUT MICROFICHE (COM)

Attribute	Description
COST ALLOCATION	Computer Output Microfiche (COM) charges recover all components of COM cost center resources. Components include personnel, miscellaneous, and overhead expenses. In FY 97/98, the HHSDC's COM processing operation was outsourced. COM processing equipment was made available as surplus and personnel allocations changed. The current COM vendor has been connected to the HHSDC by circuit and DSU/CSU. Output destined for microfiche processing is electronically routed offsite to a remote vendor COM processing facility. Microfiche are returned to the HHSDC for customer distribution within a turn-around period of 24 hours for output jobs of 100,000 lines or less. In the case of output exceeding 100,000 lines, the turn-around period may be greater than 24 hours. Vendor contractual costs for COM processing were placed in miscellaneous expenses. COM costs are divided between the costs of producing COM original fiche and COM duplicate fiche (Cost Centers 041 and 042). Revenue is then collected for the two cost centers (041 and 042).

INVOICE CATEGORY associated with COST CENTER 040:

Invoice Category	Invoice Category Definition	Unit	Rate	Cost Center
3602	MICROFICHE ORIGINAL	n/a	n/a	040

ROLL-UP COST CENTERS associated with COST CENTER 040:

Roll-Up Cost Center	Description	Cost Center	Description
041	ORIGINAL FRAMES (COM)	040	COMPUTER OUTPUT MICROFICHE
042	DUPLICATE FICHE (COM)	041	COMPUTER OUTPUT MICROFICHE

ROLL-UP COST CENTER 041 (associated with 040) – ORIGINAL FRAMES (COM)

Attribute	Description
COST ALLOCATION	Original Frames (COM) charges are made to recover the expenses of the COM cost center.
MEASUREMENT	The unit of measurement for this resource is per Original Fiche (COM).
UTILIZATION	Utilization billed is the actual number of original COM fiche produced (including index and header).
CHARGES	The Original Fiche (COM) charge is the number of Original Fiche (COM) multiplied by the Original Fiche (COM) rate.

INVOICE CATEGORY associated with COST CENTER 041:

Invoice Category	Invoice Category Definition	Unit	Rate	Cost Center
3601	MICROFICHE	Fiche	$1.0927	041

ROLL-UP COST CENTER 042 (associated with 040) – DUPLICATE FICHE (COM)

Attribute	Description
COST ALLOCATION	Duplicate Fiche (COM) charges are made to recover the expenses of the Computer Output Microfiche (COM) cost center.
MEASUREMENT	The unit of measurement for this resource is per Duplicate Fiche (COM).
UTILIZATION	Utilization billed is the actual number of Duplicate Fiche (COM) produced.
CHARGES	The Duplicate Fiche (COM) charge is the number of Duplicate Fiche (COM) multiplied by the Duplicate Fiche (COM) rate.

INVOICE CATEGORY associated with COST CENTER 042:

Invoice Category	Invoice Category Definition	Unit	Rate	Cost Center
3603	MICROFICHE DUPLICATE	Fiche	$0.1086	042

COST CENTER 049 - MOUNT

Attribute	Description
COST ALLOCATION	Mount charges are made to recover all components of cost center resources. Components include personnel, hardware, miscellaneous, and overhead. Hardware is composed of displays and tape area consoles.
MEASUREMENT	This unit of measurement for this resource is per tape mount.
UTILIZATION	MVS tape mount utilization is measured per job step. VM tape mount utilization is measured at job level.
CHARGES	MVS tape mount utilization information is captured by the SMF Monitor and an SMF record is written for each transaction at the job step level. VM tape mount utilization information is captured by the VM monitor facility. The mount charge (MC) is the number of tape mounts (TM) multiplied by the mount rate (MR). MC = TM x MR

INVOICE CATEGORIES associated with COST CENTER 049:

Invoice Category	Invoice Category Definition	Unit	Rate	Cost Center
1400	TAPE TOTAL MOUNTS	Mount	$1.50	049
1415	VM TAPE MOUNTS	Mount	$1.50	049

COST CENTER 070 – INTERNET/WEB SERVICES

Attribute	Description
COST ALLOCATION	Internet/Web services charges are made to recover all components of cost center resources. Components include personnel, hardware, software, and misc. costs since this service is to support shared and dedicated Internet hosting services on servers located in the HHSDC computer room.
MEASUREMENT	The unit of measurement for this resource is per site for the shared hosting services, and per server for dedicated hosting services.
CHARGES	Internet/Web Services utilization is captured and recorded in an external billing file to be processed by the HHSDC's MICS billing system. The Internet/Web Services charge is billed at $100 per customer department.

INVOICE CATEGORY associated with COST CENTER 070:

Invoice Category	Invoice Category Definition	Unit	Rate	Cost Center
8553	INTERNET/WEB SERVICES	Server	$100.00	070

COST CENTER 150 – DEDICATED HARDWARE

Dedicated hardware is customer equipment that is purchased/leased or rented through the HHSDC.

Attribute	Description
COST ALLOCATION	Costs are passed through directly to customers without the allocation of overhead. Unlike the rate system where the HHSDC estimates costs, vendors notify the HHSDC of the exact cost of the equipment at the time it is ordered. This cost is noted in the Hardware/Software Inventory file and the user is billed from the file on a monthly basis for equipment being rented/leased (MR/ML) or purchased by installment payments (IP). Equipment being purchased outright (OP) is billed to the customer via the Request for Adjustment (RFA) process or Memobill process and is subject to a five percent administrative handling fee, with a maximum charge of $850.00 per document.

However, equipment is not loaded into the HHSDC's hardware/software file until the HHSDC receives verification from the installation vendor (the manufacturer is not always the installation vendor). This means that equipment may not be billed until sometime after the installation of the equipment. In this case, the customer will receive a back bill for their new equipment along with their regular monthly bill.

COST CENTER 151 – DEDICATED SOFTWARE

Dedicated software is customer software that is purchased/leased or rented through the HHSDC.

Attribute	Description
COST ALLOCATION	This cost center is for customer software acquired through the HHSDC and installed on the HHSDC's host mainframes. All costs incurred are directly passed through to the department to which the software is dedicated. Once installed, a record of the software is placed on the Hardware/Software file and the customer is billed directly from the file on a monthly basis for software being rented/leased (MR/ML) or purchased by installment payments (IP). Software being purchased outright is billed to the customer via the RFA process, or the Memo bill process, and is subject to a five percent administrative handling fee with a maximum charge of $850.00 per document.

COST CENTER 155 – EXCHANGE SERVICES

Attribute	Description
COST ALLOCATION	Exchange services charges recovered all components of cost center resources. Components include hardware, software, personnel, miscellaneous, and overhead expenses. Hardware includes various servers.
MEASUREMENT	The unit of measurement for this resource is per user.
CHARGES	Charges for Exchange Services are based on user charges.

INVOICE CATEGORIES associated with COST CENTER 155:

Invoice Category	Invoice Category Definition	Unit	Rate	Cost Center
8574	EXCHANGE SERVICES	User	$13.37	155

COST CENTER 169 – DHS/MIS PROJECT

Attribute	Description
COST ALLOCATION	This cost center provides support for the California Department of Health Services / Management Information System (DHS/MIS) application that utilizes a separate MVS platform networked to the HHSDC host mainframes. Support is for hardware and operating systems. These cost center charges recover all components of cost center resources. Components include hardware, software, personnel, miscellaneous, and overhead expenses. Hardware includes IBM 9672-R34 CMOS processor, RAMAC disk devices, and tape drives. System software includes MVS, JES II, IOF, SPF, etc. Application software includes MEDSTAT application software. Personnel costs include the personnel necessary to support the DHS/MIS system. Miscellaneous costs include floor space costs and utilities costs.
MEASUREMENT	This cost center charge is specific and dependent upon the system configuration (hardware and software), level of support required, and environmental support factors. HHSDC technical personnel provide customers with the hardware and software support for the DHS/MIS application.
CHARGES	The monthly management charge is based on the sum of the monthly hardware, software, personnel, miscellaneous, and overhead expenses. Customers are billed via Memobill process with a single monthly charge. The monthly charge is evaluated on an annual basis.

COST CENTER 170 – SERVER SUPPORT

Attribute	Description
COST ALLOCATION	This cost center provides support for customers who have applications that utilize AIX (UNIX) and NT platforms networked to HHSDC host mainframes. Support is for AIX/NT hardware and operating systems. These cost center charges recover all components of cost center resources. Components include hardware, software, personnel, miscellaneous, and overhead expenses. Hardware includes IBM SP2 with various wide/thin AIX nodes and various separate AIX/NT hardware platforms. Software includes AIX/NT operating systems and various types of proprietary software (i.e. Informix, Oracle, etc.).
MEASUREMENT	This cost center charge is specific and dependent upon AIX/NT system configuration (hardware and software), level of support required, and environmental support factors. HHSDC technical personnel provide customers with the optimum hardware and software configuration and most effective system design for their application.

COST CENTER 170 – SERVER SUPPORT (continued)

CHARGES	Hardware and software acquired to meet customer requests for server services (UNIX or NT). Equipment is HHSDC-owned and customers are billed via the MICS billing system. Alternative billing (by an RGA or Memobill) may be requested by the customer for server equipment or software installed at the customer site.

COST CENTER 174 – DEDICATED TRANSPORTATION

Freight, transportation, and relocation charges for dedicated EDP hardware.

Attribute	Description
CHARGES	Hardware transportation charges are added to the billing system via the RFA process and are subject to a five percent administration fee. The customer is billed after the HHSDC receives an invoice from the vendor.

COST CENTER 176 – DEDICATED COMMUNICATION

Attribute	Description
COST ALLOCATION	This cost center is generally used for telephone company (TELCO) install charges. In special cases, this cost center may be used to directly pass-through other TELCO vendor time and materials charges.
CHARGES	Costs for dedicated communications do not reflect any overhead and are subject to a five percent administration fee.

COST CENTER 178 – DEDICATED SUPPORT

Attribute	Description
CHARGES	This cost center represents those charges incurred by customers for any individual or firm providing EDP-related professional services contracted for through the HHSDC and are subject to a five percent administration fee.

COST CENTER 179 – LIBRARY SERVICES

Attribute	Description
COST ALLOCATION	All costs incurred by customer agencies for EDP manuals.
CHARGES	Library service charges are added to the billing system via the RFA process. Charges will have a five percent administrative handling fee included. Users are billed once the HHSDC receives an invoice from the vendor.

COST CENTER 180 – TRAINING CENTER SERVICES

Attribute	Description
COST ALLOCATION	The Training Center is treated as dedicated data center services. Charges recover all costs incurred by customer agencies and departments for EDP training.
UTILIZATION	Rates are computed based on individual classes; however, costs allocated include training staff, facilities, and equipment.

COST CENTER 180 – TRAINING CENTER SERVICES (continued)

CHARGES	Training services charges are added to the HHSDC's billing system via the RFA process and Memobill process.

COST CENTER 181 – LearningPASS

Attribute	Description
COST ALLOCATION	This cost center is treated as dedicated data center services and was created to specifically track and account for LearningPASS Program funds.
CHARGES	The HHSDC collects LearningPASS monies in advance and does not pay the vendor until a LearningPASS is redeemed. Customers have up to one year to redeem a LearningPASS. That is, the HHSDC will bill a customer immediately after the customer places an order to purchase LearningPASSes. When the customer redeems the LearningPASS with a training vendor, the training vendor will bill the HHSDC. The HHSDC is not purchasing the LearningPASSes from training vendors, but acts as an agent on behalf of the vendors and customers.

INVOICE CATEGORY associated with COST CENTER 181:

Invoice Category	Invoice Category Definition	Unit	Rate	Cost Center
8594	LearningPASS Program			181

COST CENTER 251 – INSTALLATION/DEINSTALLATION

Attribute	Description
COST ALLOCATION	Cost is billed based on the type of moves, adds, or changes (MACs) performed. This cost center consists of personnel costs in the Network Installation, Network Software Support, and the Telecommunications Management sections within the Telecommunications Division (TD). These personnel plan, design, procure, and coordinate the MACs of network and remote site equipment and services.
UTILIZATION	The method of recovering costs is to charge the user for the MACs of equipment and services. The actual charge depends on the type of the MAC (see Cost Centers 252 - 261).
RATES FORMULATION	The actual rate is based upon three factors. The three factors are Average Completion Time (ACT), Estimated Workload (EW), and hourly rate. The first factor, ACT, is based on historical data about the length of staff time each type of MAC requires. The EW is the second factor and is determined by the cost center manager. These values represent the estimate of the number of MACs by type for the fiscal year. The third and last factor, the hourly rate, is calculated through the use of a special formula. The cost center manager developed the formula. $$\text{Hourly Rate} = \frac{\text{Total TD MAC costs}}{\text{Total hours to complete EW}}$$ After this hourly rate has been calculated, it is applied (multiplied) against the ACT of each type of MAC. The product represents the chargeable rate for each MAC type.

COST CENTER 251 – INSTALLATION/DEINSTALLATION (continued)

CHARGES	Please see corresponding Cost Centers 252 - 261 for additional specific charge information.

NOTE: **Sufficient lead-time must be provided to allow for a service request to be processed and completed within customer designated timeframes. If a submitted service request requires expedited service, <u>HHSDC charges will be doubled.</u> (Customers will be notified prior to any application of expedited service charges.)**

INVOICE CATEGORIES associated with COST CENTER 251:

Invoice Category	Invoice Category Definition	Unit	Rate	Cost Center
8523	EQUIPMENT SWAPS/ ADDITIONS	Site	$1,100.00	252
8524	EQUIPMENT TERMINATION/RELOCATION	Site	$300.00	255
8525	MISCELLANEOUS SITE REQUEST	Hour	$75.00	254
8526	NEW SITE INSTALLATION	Circuit	$2,100.00	253
8587	SITE RELOCATION	Circuit	$1,300.00	256
8588	SITE DELETION	Circuit	$400.00	257
8589	ADD PVC	PVC	$750.00	258
8590	CHANGE CIR	Circuit	$300.00	259
8591	INSTALL DIAL-UP SERVICES	Circuit	$700.00	261

ROLL-UP COST CENTERS associated with COST CENTER 251:

Roll-Up Cost Center	Description	Cost Center	Description
252	EQUIPMENT SWAPS / ADDITIONS	251	INSTALLATION
253	NEW SITE INSTALLATION	251	INSTALLATION
254	MISCELLANEOUS MAC REQUEST	251	INSTALLATION
255	EQUIPMENT TERMINATION / RELOCATION	251	INSTALLATION
256	SITE RELOCATION	251	INSTALLATION
257	SITE DELETION	251	INSTALLATION
258	ADD PVC	251	INSTALLATION
259	CHANGE CIR	251	INSTALLATION
261	DIAL-UP SERVICES	251	INSTALLATION

ROLL-UP COST CENTERS 252, 254, * and 255 (associated with 251) – EQUIPMENT RELATED MAC

Attribute	Description
DESCRIPTION	Each site identified on a service request is subject to a billing for equipment-related MACs, provided the equipment is on existing circuits only. Equipment installed at the time a circuit is established is covered in the circuit-related MAC charge.
UTILIZATION	Utilization billed is the actual number of MACs completed during the month as reported by the cost center manager.
CHARGES	The following is a list of specific billing criteria for Cost Centers 252, 254, and 255.

* Cost Center 254 applies to both equipment-related and circuit-related MACs.

EQUIPMENT-RELATED MACs:

Cost Center	MAC Type	Charges
252	Equipment Swap / Addition	$1,100.00 per site
254	Miscellaneous Site Request	$75.00 per hour
255	Equipment Termination / Relocation	$300.00 per site

ROLL-UP COST CENTERS 253, 254, 256, 257, 258, 259, and 261 (associated with 251) – CIRCUIT-RELATED MACs

Attribute	Description
DESCRIPTION	Connecting to the HHSDC Wide Area Network (WAN) is accomplished typically via a circuit. The MAC activities related to these circuits are captured in this cost center.
UTILIZATION	Utilization billed is the actual number of circuit-related MACs completed during the month as reported by the cost center manager.
CHARGES	The following is a list of specific billing criteria for Cost Centers 253, 254, 256, 257, 258, 259, and 261.

CIRCUIT-RELATED MACs:

Cost Center	Service Request Type	Charges
253	New Site Installation	$2,100.00 per circuit
254	Miscellaneous MAC Request	$75.00 per hour
256	Site Relocation	$1,300.00 per circuit
257	Site Deletion	$400.00 per circuit
258	Add PVC	$750.00 per circuit
259	Change CIR	$300.00 per circuit
261	Dial-up Services	$700.00 per circuit

Note: Customer monthly invoices include a detailed report of the installation activities and the associated charges incurred for each request.

COST CENTER 265 – NETWORK PLANNING AND DESIGN

Attribute	Description
COST ALLOCATION	This cost center consists of personnel cost for staff in the Network Services and Network Engineering Support sections. The staff is responsible for analysis, planning, and design of the most complicated local and wide area networks for connectivity, optimum performance, and compliance with appropriate IT architectural and security requirements.
UTILIZATION	The method of recovering these costs is to charge the requesting customer the amount of time required for the network analysis and design. The actual charge will be dependent upon the complexity of the network design. The average amount of time required for this network analysis and design is estimated to be approximately 10 hours.

COST CENTER 265 – NETWORK PLANNING AND DESIGN (continued)

RATE FORMULATION	The actual rate is based upon three factors. The three factors are Planning and Design Time (PDT), EW, and hourly rate. The first factor, PDT, is based on the estimated length of staff time needed to develop a network design. The EW is determined by the cost center manager. This value represents the estimated number of requests for network planning and design services for the fiscal year. The third and last factor, the hourly rate, is calculated through the use of a special formula. The cost center manager has developed the following formula: $$\text{Hourly Rate} = \frac{\text{Total TD PDT costs}}{\text{Total hours to complete EW}}$$ After this hourly rate has been calculated, it is applied (multiplied) against the PDT. The result represents the chargeable rate for the planning and design service request.
CHARGES	The hourly rate is $150.00 per hour.

NOTE:

Sufficient lead-time must be provided to allow for a service request to be processed and completed within customer-designated timeframes. If a submitted service request requires expedited service, <u>HHSDC charges will be doubled.</u> (Customers will be notified prior to any application of expedited service charges.)

INVOICE CATEGORIES associated with COST CENTER 265:

Invoice Category	Invoice Category Definition	Unit	Rate	Cost Center
8593	NETWORK PLANNING & DESIGN	Hour	$150.00	265

COST CENTER 270 - COMMUNICATIONS

Attribute	Description
COST ALLOCATION	This cost center expense consists of all equipment, personnel, and software required at the central and concentrator sites to provide and maintain access to the central site computers from local and remote processing sites. Hardware includes switches, routers, controllers, patch panels, sniffers, protocol converters, microwave links, modem/line analysis, and test equipment. Software is network access software, ACF/VTAM, NCP, NCCF, etc. Personnel consist of software specialists and communications help desk support. Communications costs are divided between costs to support NETWORK ACCESSES and costs to support COMMUNICATIONS LINKS. Revenue is then billed to the appropriate cost centers (272-274). Corresponding expenditures are rolled into one cost center (270).
NETWORK CHARGE	Network Access plus Communication Link.

COST CENTER 270 – COMMUNICATIONS (continued)

NETWORK ACCESS	All circuits are charged a monthly network access rate based upon circuit type and bandwidth/speed. In addition, each LAN-attached controller is charged a monthly network access charge. The network access rate is specified in units. A single access unit is equivalent to $ 273.25. The larger the circuit the more access units charged. The access charge covers personnel services, operating expenses, and equipment costs within the Telecommunications Division, including associated overhead costs, to maintain and support the HHSDC WAN.
COMMUNICATION LINK	The type of circuit (i.e. ADN, Frame Relay, DSL, ATM) and bandwidth required determine the communication link charge. The communication link charge for ADN circuits varies dependent upon bandwidth and distance between the nearest point of concentration to the customer site. ADN charges are comprised of monthly local loop charges, DSU/CSU cost, and when appropriate, socialized router cost. Charges for Frame Relay circuits are dependent upon bandwidth and circuit size (i.e. DS0, T1, T3, etc.). Communication link charges include DSU/CSU costs, Vendor Frame Relay port costs, Frame Relay local loop costs, and FRAD, or socialized router costs. Charges for private DSL circuits are also dependent upon bandwidth and circuit size (i.e. 128K, 384K, 1544K). The DSL Communications Link charges include DSL port costs, measured business line costs, leased router costs, and HHSDC equipment and support costs. Charges for Internet DSL circuits are dependent upon bandwidth. The Internet Asynchronous DSL Pilot Communications Link charges include DSL port costs, measured business line costs, leased router costs, and HHSDC equipment and support costs. The Internet Synchronous DSL Pilot Communications Link charges include DSL port costs, leased router costs, and HHSDC equipment and support costs. Charges for ATM circuits are dependent on bandwidth and circuit size. Communication Link charges include ATM port cost, ATM local loop cost, ATM port adapter, and a socialized router cost.

COST CENTER 272 – NETWORK ACCESS

Attribute	Description
MEASUREMENT	The unit of measurement for network access is an access.
UTILIZATION	All Frame Relay circuits, ATM circuits, and non-Frame Relay (ADN) circuits are charged a monthly network access rate based on circuit type and bandwidth/speed. In addition, each LAN-attached controller is charged a monthly access charge.
CHARGES	The overall monthly network charges are based on the circuit type and configuration. This section does not address the HHSDC's one-time installation/de-installation charges or phone company one-time installation/de-installation charges. The HHSDC's one-time charges are addressed in Cost Centers 252 through 261. Vendor one-time charges are billed as direct pass-through charges under Cost Center 176 and are based upon current vendor pricing. It should be noted that when circuits are shared between customers, the network charges are to be divided or shared (based on percent of CIR allocation).

INVOICE CATEGORIES associated with COST CENTER 272:

Invoice Category	Invoice Category Definition	Instance	Unit	Rate	Cost Center
8510	NETWORK ACCESS CHARGES	Network Access (9.6 kb)	1 access	$273.25	272

Invoice Category	Invoice Category Definition	Instance	Unit	Rate	Cost Center
8510	NETWORK ACCESS CHARGES	(19.2 kb)	2 access	$546.50	272
8510	NETWORK ACCESS CHARGES	(56 kb)	3 access	$819.75	272
8510	NETWORK ACCESS CHARGES	(T1)	5 access	$1,366.25	272
8510	NETWORK ACCESS CHARGES	(Fr. T1)	4 access	$1,093.00	272
8510	NETWORK ACCESS CHARGES	(T3)	6 access	$1,639.50	272
8510	NETWORK ACCESS CHARGES	(CNTRLR)	1 access	$273.25	272

NETWORK ACCESS CHARGES are as follows:

For ADN Circuits:

Bandwidth / Speed	Accesses (#)	Access Charge
0 to 9600	1	$273.25
19200	2	$546.50
56 KB	3	$819.75
Fractional T1 *	4	$1,093.00
T1	5	$1,366.25
LAN-Attached Controller	1	$273.25

* Old ADN support only; no longer a service offering.

For FRAME RELAY CIRCUIT with FRAD:

Cir	Accesses (#)	Access Charge
0 – 8 K	1	$273.25
9 – 20 K	2	$546.50
21 – 56 K	3	$819.75
LAN-Attached Controller	1	$273.25

For FRAME RELAY CIRCUIT with ROUTER:

Frame Relay Port	Accesses (#)	Access Charge
56 KB	3	$819.75
T1	5	$1,366.25
T3	6	$1,639.50
LAN-Attached Controller	1	$273.25

For Asynchronous Transfer Mode (ATM):

Bandwidth / Speed	Accesses (#)	Access Charge
T3	6	$1,639.50

COST CENTER 274 – COMMUNICATIONS LINKS

Attribute	Description
MEASUREMENT	There is no set unit for communications links charges. Each circuit is evaluated and its charges determined by circuit type and configuration.
CHARGES	Communications links charges are based on the circuit type and configuration. This section does not address the HHSDC's one-time installation/de-installation charges. The HHSDC's one-time charges are addressed in Cost Centers 252 through 261. Vendor one-time charges are billed as direct pass-through charges under Cost Center 176 and are based upon current vendor pricing. It should be noted that when circuits are shared between customers, the network charges are to be divided or shared (based on percent of CIR allocation).

COMMUNICATION LINKS CHARGES are as follows:

For ADN circuits *without* Router and bandwidth 0 to 56 KB:

Communications links charge = [(202 + [5.5 x DISTANCE]) x 1.1447]

Where DISTANCE is the mileage from nearest point of concentration to the customer site and the value of 14.47% represents HHSDC administrative overhead.

For ADN circuits *with* a Router and bandwidth 0 to 56 KB:

Communications links charge = [(659 + [5.5 x DISTANCE]) x 1.1447]

Where DISTANCE is the mileage from nearest point of concentration to the customer site and the value of 14.47% represents HHSDC administrative overhead.

The constants, (659) and (202), were derived from the following items:

Quantity	Description	Cost with Router	Cost without Router
2	Monthly Local Loop Cost	$100.00	$100.00
2	Modems or DSU/CSUs Cost	$92.00	$92.00
1	"Socialized" Router Costs	$457.00	$0.00
1	Vendor Minimum Line Cost	$10.00	$10.00
		$659.00	**$202.00**

For ADN circuits *without* a Router and bandwidth of T1:

Communications links charge = [(613 + [25 x DISTANCE]) x 1.1447]

Where DISTANCE is the mileage from nearest point of concentration to the customer site and the value of 14.47% represents HHSDC administrative overhead.

For ADN circuits *with* a Router and bandwidth of T1:

Communications links charge = [(1,070 + [25 x DISTANCE]) x 1.1447]

Where DISTANCE is the mileage from nearest point of concentration to the customer site and the value of 14.47% represents HHSDC administrative overhead.

The constants, (1,070) and (613), were derived from the following items:

Quantity	Description	Cost with Router	Cost without Router
2	Monthly Local Loop Cost	$326.00	$326.00
2	Modems or DSU/CSUs Cost	$162.00	$162.00
1	"Socialized" Router Cost	$457.00	$0.00
1	Vendor Minimum Line Cost	$125.00	$125.00
		$1,070.00	**$613.00**

For Frame Relay circuits with FRAD and bandwidth of 56 KB:

Communications links charge = (172 * 1.1447) + [(CIR * 5.5) / 4]

Where CIR is a direct vendor pass-through charge to the customer ($5.50 per 4 K), the CIR value (size) can vary from 8K to 56K, resulting in a pass-through charge of $11.00 to $77.00 per month. The value of 14.47% represents HHSDC administrative overhead. Note: There is no CIR charge if the circuit terminates within the LATA that it originates from.

The constant (172) was derived from the following items:

Quantity	Description	Cost
1	DSU/CSU Cost	$46.00
1	FRAD Cost	$36.00
1	Vendor Frame Relay Port Cost	$47.00
1	Frame Relay Local Loop Cost	$43.00
		$172.00

For Frame Relay circuits with Router and bandwidth of 56 KB:

Communications links charge = (593 * 1.1447) + [(CIR * 5.5) / 4]

Where CIR is a direct vendor pass-through charge to the customer ($5.50 per 4 K), the CIR value (size) can vary from 8K to 56K, resulting in a pass-through charge of $11.00 to $77.00 per month. The value of 14.47% represents HHSDC administrative overhead. Note: There is no CIR charge if the circuit terminates within the LATA that it originates from.

The constant (593) was derived from the following items:

Quantity	Description	Cost
1	DSU/CSU Cost	$46.00
1	"Socialized" Router Costs	$457.00
1	Vendor Frame Relay Port Cost	$47.00
1	Frame Relay Local Loop Cost	$43.00
		$593.00

For Frame Relay circuits with Router and bandwidth of T1:

Communications links charge = (953 * 1.1447) + [(CIR * 5.5) / 4]

Where CIR is a direct vendor pass-through charge to the customer ($5.50 per 4 K), the CIR value (size) can vary from 8K to 1,024K, resulting in a pass-through charge of $11.00 to $1,408.00 per month. The value of 14.47% represents HHSDC administrative overhead. Note: There is no CIR charge if the circuit terminates within the LATA that it originates from.

The constant (953) was derived from the following items:

Quantity	Description	Cost
1	DSU/CSU Cost	$81.00
1	"Socialized" Router Cost	$457.00
1	Vendor Frame Relay T1 Port Cost	$325.00
1	Frame Relay T1 Local Loop Cost	$90.00
		$953.00

For Frame Relay circuits with router and bandwidth of T3

Communications link charge = (3,903 * 1.1447) + [(CIR * 3.5) / 4]

Where CIR is a direct vendor pass-through charge to the customer ($3.50 per 4 K), the CIR value (size) can vary from 1,025K to 28,672K, resulting in a pass-through charge of $896.88 to $25088.00 per month. The value of 14.47% represents HHSDC administrative overhead. Note: There is no CIR charge if the circuit terminates within the LATA that it originates from.

The constant (3,903) was derived from the following items:

Quantity	Description	Cost
1	DSU/CSU Cost	$396.00
1	"Socialized" Router Cost	$457.00
1	Vendor Frame Relay T3 Port Cost	$1,800.00
1	Frame Relay T3 Local Loop Cost	$1,250.00
		$3,903.00

For Asynchronous Transfer Mode (ATM) circuit with router and bandwidth of T3

Communications link charge = (2,808 * 1.1447) + (Variable IBR**)

Where the InterLATA Bit Rate (IBR) is a monthly per megabyte rate charge for those circuits crossing LATA.
Note: There is no IBR charge if the circuit terminates within the LATA from which it originates.
The value of 14.47% represents HHSDC administrative overhead.

The constant (2,808) was derived from the following items:

Quantity	Description	Cost
1	ATM Port	$791.00
1	ATM Local Loop	$1,320.00
1	Router	$457.00
1	ATM Port Adapter	$240.00
		$2,808.00

** The IBR is calculated as follows according to Bandwidth size:

IBR	Bandwidth Variable Range	Per Megabit
	0 to 1.5	$1,887.00
	1.6 to 3 Mb	$1,530.00
	3.1 to 6 Mb	$1,147.50
	6.1 to 12 Mb	$943.50
	12.1 to 15 Mb	$739.50
	15.1 to 40 Mb	To Be Determined

For Internet Asynchronous Digital Subscriber Line (ADSL) Pilot:

Communications link charge = (Variable * 1.1447)

Monthly Ongoing Costs:

Communication Link Charge Variables

ADSL 384
ADSL Charge = (5638 x 1.1447)

ADSL 1.5
ADSL Charge = (1,205 x 1.1447)

The value of 14.47% represents HHSDC administrative overhead.

The constant values were derived from the following items:

Quantity	Description	ADSL 384 384-1.5/128	ADSL 1.5 1.5-6/384
1	DSL Port	$106.00	$261.00
1	Measured Business Line	$15.00	$15.00
1	Router	$147.00	$147.00
1	HHSDC Equip/Support	$295.00	$782.00
			$1,205.00

For Internet Synchronous Digital Subscriber Line (SDSL) Pilot:

Communications link charge = (Variable * 1.1447)

Monthly Ongoing Costs:

Communication Link Charge Variables

SDSL 144
SDSL Charge = (481 x 1.1447)

SDSL 192
SDSL Charge = (502 x 1.1447)

SDSL 384
SDSL Charge = (634 x 1.1447)

SDSL 768
SDSL Charge = (870 x 1.1447)

SDSL 1.1
SDSL Charge = (1,096 x 1.1447)

SDSL 1.5
SDSL Charge = (1,321 x 1.1447)

The value of 14.47% represents HHSDC administrative overhead.

The constant values were derived from the following items:

Quantity	Description	SDSL 144	SDSL 192	SDSL 384	SDSL 768	SDSL 1.1	SDSL 1.5
1	DSL Port	$150.00	$150.00	$200.00	$270.00	$350.00	$400.00
1	Router	$139.00	$139.00	$139.00	$139.00	$139.00	$139.00
1	HHSDC Equip/Support	$192.00	$213.00	$295.00	$461.00	$607.00	$782.00
		$481.00	**$502.00**	**$634.00**	**$870.00**	**$1,096.00**	**$1,321.00**

For Private Digital Subscriber Line (PDSL) Pilot:

Communication link charge = (Variable * 1.1447) + (CIR5 *.5)/ 4

Monthly Ongoing Costs:

Communication Link Charge Variables

PDSL 128
DSL Charge = (458 x 1.1447) + (CIR*5.5) /4

PDSL 384
DSL Charge = (459 x 1.1447) + (CIR*5.5)/4

PDSL 1544
DSL Charge = (537 x 1.1447) + (CIR*5.5)/4

The value of 14.47% represents HHSDC administrative overhead.

The constant values were derived from the following items:

Quantity	Description	384K/128K PDSL 128	384K/384K PDSL 384	1544K/384K PDSL 1544
1	DSL Port	$36.00	$37.00	$115.00
1	Measured Business Line	$20.00	$20.00	$20.00
1	Router	$94.00	$94.00	$94.00
1	HHSDC Equip/Support	$308.00	$308.00	$308.00
	Total	**$458.00**	**$459.00**	**$537.00**

COST CENTER 275 – 3270 DIAL-UP SERVICE

Attribute	Description
COST ALLOCATION	The 3270 dial-up service cost center recovers all components of the cost center resources. Components include hardware/software, personnel, miscellaneous, and overhead.
MEASUREMENT	The unit of measurement for this resource is per minute.
UTILIZATION	The 3270 dial-up utilization is captured and stored in separate utilization files by account code.
CHARGES	The 3270 dial-up charge is the total amount of dial-up minutes multiplied by the rate of $0.064 per minute.

INVOICE CATEGORIES associated with COST CENTER 275:

Invoice Category	Invoice Category Definition	Unit	Rate	Cost Center
8559	3270 DIAL-UP SERVICES	Minute	$0.064	275

COST CENTER 277– HHSDC REMOTE LAN DIAL

Attribute	Description
COST ALLOCATION	The HHSDC RLD dial-up service cost center recovers all components of the cost center resources. Components include hardware/software, personnel, miscellaneous, and overhead.
MEASUREMENT	The unit of measurement for this resource is per minute.
UTILIZATION	The HHDSC RLD dial-up utilization is captured and stored in separate utilization files by account code.
CHARGES	The HHDSC RLD charge is the total amount of dial-up minutes multiplied by the rate of $0.064 per minute.

INVOICE CATEGORIES associated with COST CENTER 277:

Invoice Category	Invoice Category Definition	Unit	Rate	Cost Center
8585	HHSDC REMOTE LAN DIAL	Minute	$0.064	277

COST CENTER 278 - REMOTE ACCESS VPN (VIRTUAL PRIVATE NETWORK)

Attribute	Description
COST ALLOCATION	The Remote Access VPN service recovers all components of the cost center resources. Components include hardware/software, personnel, miscellaneous, and overhead.
MEASUREMENT	The unit of measurement for this resource is per minute.
UTILIZATION	The Remote Access VPN utilization is captured and stored in separate utilization files by account code.
CHARGES	The Remote Access VPN charge is the total amount of remote access VPN minutes multiplied by the rate of $0.044 per minute.

INVOICE CATEGORIES associated with COST CENTER 278:

Invoice Category	Invoice Category Definition	Unit	Rate	Cost Center
8586	REMOTE ACCESS VPN	Minute	$0.044	278

COST CENTER 299- REMOTE ACCESS

Attribute	Description
COST ALLOCATION	This cost center consists of expenditures associated with equipment, software, personnel, miscellaneous, and overhead costs required at the central site to provide and maintain remote access to the central site computers from local and remote sites. Personnel consist of software specialists and communications help desk support. These resources support 3270 dial-up, HHSDC Remote LAN Dial (RLD), and Remote Access Virtual Private Network (VPN) services. Revenue is collected from Cost Centers 275, 277, and 278.

COST CENTER 299 - REMOTE ACCESS (continued)

MEASUREMENT	The unit of measurement for this resource is per minute.
UTILIZATION	The 3270 dial-up, HHSDC RLD, and Remote Access VPN utilization is captured and stored in separate utilization files by account code.
CHARGES	See corresponding Cost Centers 275, 277, and 278 for specific charge information.

COST CENTER 300 – DISK STORAGE

Attribute	Description
COST ALLOCATION	The Disk Storage cost center recovers all components of the cost center resources. Components include hardware/software, personnel, and overhead. Hardware includes controllers and disk storage devices of various PCMs. DASD hardware and personnel are divided 85/15 between Disk Storage (300) and Disk Utilization (016). Software includes the associated software necessary to manage DASD resources.
MEASUREMENT	The unit of measurement for this resource is per 3390 track-month.
UTILIZATION	Randomly, and at least once a month, a snapshot is taken of disk VTOCs (Volume Table of Contents) and the information is written to an OS file. The MICS VTOC Catalog Activity component writes this information to a database. The tracks are considered to be a monthly allocation and customers are billed for all tracks allocated to them at the time the snapshot is taken.
CHARGES	The charge (C) is the number (N) of tracks multiplied by the rate (R). C = N x R

INVOICE CATEGORY associated with COST CENTER 300:

Invoice Category	Invoice Category Definition	Unit	Rate	Cost Center
7202	DISK STORAGE	3390 trk	$0.004	300

ROLL-UP COST CENTERS associated with COST CENTER 300:

Cost Center	Description	Roll-Up Cost Center	Description
300	DISK STORAGE	130	VM DISK STORAGE
300	DISK STORAGE	143	ADABAS DISK STORAGE

ROLL-UP COST CENTER 130 (associated with 300) – VM DISK STORAGE

Attribute	Description
COST ALLOCATION	VM disk storage costs are not separate from disk storage expenses (Cost Center 300). The expenses of the VM disk storage are part of overall total disk storage expenses. This cost center has been set up to enable the HHSDC to track VM disk storage utilization separately.
MEASUREMENT	The unit of measurement for this resource is per 3390 track.
CHARGES	The HHSDC does not have separate specific VM disk storage rates for each storage device type. The HHSDC has a single disk storage rate. The disk storage charge is the amount of allocated 3390 tracks multiplied by current disk storage rate. The VM disk storage utilization is captured and recorded in an external billing file to be processed by the HHSDC's MICS billing system. The VM disk storage charge is the VM disk storage utilization multiplied by the disk storage rate.

ROLL-UP COST CENTER 143 (associated with 300) – ADABAS DISK STORAGE

Attribute	Description
COST ALLOCATION	ADABAS disk storage costs are not separate from disk storage expenses (Cost Center 300). The expenses of the ADABAS disk storage are part of overall total disk storage expenses. This cost center has been set up to enable the HHSDC to track ADABAS disk storage utilization separately.
MEASUREMENT	The unit of measurement for this resource is per 3390 track.
CHARGES	The HHSDC does not have separate specific ADABAS disk storage rates for each storage device type. The HHSDC has a single disk storage rate. ADABAS disk storage utilization is captured and recorded in an external billing file to be processed by the HHSDC's MICS billing system. The disk storage charge is the total amount of ADABAS 3390 tracks multiplied by current disk storage rate.

COST CENTER 390 - Dedicated DASD

Attribute	Description
COST ALLOCATION	The dedicated DASD cost center recovers all components of the cost center resources for DASD volumes assigned to a single customer department for their exclusive use. Components include hardware/software, personnel, and overhead. Hardware includes controllers and disk storage devices of various PCMs. DASD hardware and personnel are divided 85/15 between Disk Storage (300) and Disk Utilization (016). Software includes the associated software necessary to manage DASD resources.
MEASUREMENT	The unit of measurement for this resource is per 3390 track-month.
UTILIZATION	A SAS database (Dedicated Disk Packs) is updated whenever a DASD volume is requested to be assigned or unassigned to a customer department. The MICS billing process uses this data to charge the customer department. The tracks are considered to be a monthly allocation, and customers are billed for all tracks on each volume assigned to them.
CHARGES	The charge (C) is the number (N) of tracks multiplied by the rate (R). $C = N \times R$

COST CENTER 500 – FORMS (IMPORTANT NOTE: Current printing will be billed as indicated until this cost center can be officially dropped as this service is now out-sourced.)

Attribute	Description
COST ALLOCATION	The cost of each type of a box of forms is divided by the number of pages in the box, giving the price per form.
MEASUREMENT	The form rate is per 1000 pages.
UTILIZATION	Utilization is developed with data captured by the SMF monitor using an SMF type 6 record which records the number of lines printed per job and skip to channel commands. Charges are developed using the following algorithm: 1. Using skip to channel commands as a top of form indicator giving the number of pages printed. 2. A maximum number of lines per page is established for each form and this number is divided into the total lines giving the number of pages.
CHARGES	The option is chosen with the most number of pages printed. This record is passed to the MICS billing system where the records are formatted, summarized, and charged for at the appropriate forms rate per page. Please reference Rates-Cost of Service page at http://www.hwdc.cahwnet.gov/services/rates.asp

COST CENTER 605 – SAS SOFTWARE VLPA

Attribute	Description
COST ALLOCATION	This cost center was created to specifically track SAS software Volume License Purchase Agreement (VLPA) purchases. Costs are passed directly to customers.
CHARGES	Charges are billed via RFA or Memobill and are subject to a five percent administration fee.

COST CENTER 801 – MINIMUM JOB FLUSH

Attribute	Description
COST ALLOCATION	This cost center does not contain specific expenses.
CHARGES	This charge is for any job cancelled (flushed) due to incorrect JCL information on the job card.

INVOICE CATEGORY associated with COST CENTER 801:

Invoice Category	Invoice Category Definition	Unit	Rate	Cost Center
1701	JOB FLUSH-BATCH	Flush	$0.35	801

COST CENTER 850 - COURIER

Attribute	Description
COST ALLOCATION	Resource components allocated to this cost center are the courier service contract and overhead. Courier services are contracted services to transport input/output between the HHSDC and the user community.
MEASUREMENT	The rate for this service is per drop. A drop is defined as a courier trip from the HHSDC to a user(s) location and back to the HHSDC.
UTILIZATION	The utilization reported is the number of drops in a calendar month made to a specific customer.
CHARGES	The rate multiplied by the number of drops, as reported by the cost center manager, is the charge.

INVOICE CATEGORY associated with COST CENTER 850:

Invoice Category	Invoice Category Definition	Unit	Rate	Cost Center
8529	COURIER CHARGES	Drop	$9.14	850

COST CENTER 851 – TAPE STORAGE (LOCAL/FOREIGN)

Attribute	Description
COST ALLOCATION	Tape storage LCL/FORN charges recover all components of cost center resources. Components include magnetic tapes, personnel, and overhead.
MEASUREMENT	This cost center rate is per tape. Tape is a physical volume (reel or cartridge) upon which resides a file(s). Multiple files on a tape will be for the same customer and charged for as a single volume.

COST CENTER 851 – TAPE STORAGE (LOCAL/FOREIGN (continued)*)*

UTILIZATION	The Computer Associates software package CA-One, is used to manage the tape library system. A tape is dynamically added to the Tape Management Master File (TMMF) when a job requests a tape file. Each time a scratch tape is mounted, MVS reads the volume serial number. MVS passes control to CA-One before any processing is done to the tape. CA-One checks the volume serial number (volser) to insure the tape is a valid scratch tape. It also looks at the DSN from the JCL (or defaults) and writes this information to the TMMF plus the expiration date, DCBs, etc. Once CA-One has written the record to TMMF, control is passed back to MVS. After the file is closed, block counts are also written to the TMMF record for that tape.
CHARGES	Randomly, once a month, each active tape record is written to a snapshot file. This snapshot file is sorted first by department and then by account code. Customers are billed for all tapes present at the time this snapshot is taken. In addition, users will be billed for dedicated scratch tapes at the same rate and at the account code level.

INVOICE CATEGORY associated with COST CENTER 851:

Invoice Category	Invoice Category Definition	Unit	Rate	Cost Center
8501	TAPE STORAGE-LCL/FORN CHGS.	Tape	$0.99	851

COST CENTER 853 – TAPE STORAGE OFFSITE

Attribute	Description
COST ALLOCATION	Tape storage offsite charges recover all components of cost center resources. Components include personnel and overhead.
MEASUREMENT	Tape is a physical volume (reel or cartridge) upon which resides a file(s). Multiple files on a tape will be for the same user and charged for as a single volume. This cost center rate is per tape.
UTILIZATION	The Computer Associates software package, CA-One, is used to manage the tape library system. A tape is dynamically added to the TMMF when a job requests a tape file. Each time a scratch tape is mounted, MVS reads the volser. MVS passes control to CA-One before any processing is done to the tape. CA-One checks the volser to insure the tape is a valid scratch tape. It also looks at the DSN from the JCL (or defaults) and writes this information to the TMMF plus the expiration date, DCBs, etc. Once CA-One has written the record to TMMF, control is passed back to MVS. After the file is closed, block counts are also written to the TMMF record for that tape.
CHARGES	Randomly, once a month, snapshot file is sorted by department, account code, and outcode = Archive (ARCH) and Disaster Offsite Storage Location (DOSL). Tapes are archived if there hasn't been any activity for 18 months and the expiration date is 18 months in the future. There can also be a year-year criterion for archive. Disaster offsite storage is requested by the user.

Users having DOSL tapes that require offsite storage will be charged a local storage rate in addition to the offsite storage rate. Users are billed for all tapes present at the time the snapshot is taken.

INVOICE CATEGORY associated with COST CENTER 853:

Invoice Category	Invoice Category Definition	Unit	Rate	Cost Center
8502	TAPE STORAGE-OFFSITE CHGS.	Tape	$1.02	853

COST CENTER 856 – CUSTOMER TAPE PURCHASE

Attribute	Description
COST ALLOCATION	This cost center was set up to track tape purchases. This was due to the fact that some HHSDC customers were withdrawing tapes, losing tapes, and never returning them to the HHSDC's tape library. This resulted in empty tape slots and unusable tape volsers.
MEASUREMENT	The unit of measurement is per tape.
CHARGES	A tape becomes eligible to become a tape purchase when a tape has not been returned for 180 days. The users of the tape are billed for a missing or lost tape. Once a tape has been sold, a new tape is made available with the previously sold volser.

INVOICE CATEGORY associated with COST CENTER 856:

Invoice Category	Invoice Category Definition	Unit	Rate	Cost Center
8503	TAPE PURCHASE CHARGES	Tape	$15.00	856

COST CENTER 888 - INDIRECT

Attribute	Description
COST ALLOCATION	This cost center was set up to track overhead/indirect expenses.

COST CENTER 900 – CONSULTING SERVICES

Attribute	Description
COST ALLOCATION	This cost center was set up to track HHSDC consulting charges to HHSDC customers.

INVOICE CATEGORY associated with COST CENTER 900:

Invoice Category	Invoice Category Definition	Unit	Rate	Cost Center
8531	CONSULTING CHARGES	Hour	$75.00	900

COST CENTER 999 – MISCELLANEOUS CREDITS

Attribute	Description
COST ALLOCATION	This cost center was set up to track miscellaneous credits to HHSDC customers. These customer credits included over/under rebates.

PROJECT COST CENTERS

The following cost centers were established to track expenditures relating to the statewide automation projects, which were transferred to the HHSDC in 1995. These projects are treated like separate pass-through dedicated customers.

The HHSDC overhead rate is applied to nondedicated project expenditure costs via monthly invoices (Memobills) to the California Department of Social Services (CDSS).

COST CENTER 610 – ISAWS SYSTEM SUPPORT

Attribute	Description
COST ALLOCATION	This cost center contains all nondedicated costs associated with the Interim Statewide Automated Welfare System (ISAWS) maintenance and operations project.
CHARGES	Costs are accumulated from the HHSDC's resource billing files, training records, and Actual Expenditure Records (AER) files. These costs are billed to the CDSS via Memobill process on a monthly basis.

COST CENTER 611 – ISAWS SYSTEM SUPPORT DEDICATED

Attribute	Description
COST ALLOCATION	This cost center contains all dedicated costs associated with the ISAWS maintenance and operations project.
CHARGES	Costs are accumulated from the HHSDC's resource billing files, training records, and AER files. These costs are billed to the CDSS via Memobill process on a monthly basis.

COST CENTER 625 – CMIPS

Attribute	Description
COST ALLOCATION	This cost center contains all nondedicated costs associated with the In-Home Supportive Services / Case Management Information and Payrolling System (IHSS/CMIPS) project.
CHARGES	Costs are accumulated from the HHSDC's resource billing files, training records, and AER files. These costs are billed to the CDSS via Memobill process on a monthly basis.

COST CENTER 626 – CMIPS DEDICATED

Attribute	Description
COST ALLOCATION	This cost center contains all dedicated costs associated with the IHSS/CMIPS project.
CHARGES	Costs are accumulated from the HHSDC's resource billing files, training records, and AER files. These costs are billed to the CDSS via Memobill process on a monthly basis.

COST CENTER 627 – WDTIP

Attribute	Description
COST ALLOCATION	This cost center contains all nondedicated costs associated with the Welfare Data Tracking Implementation Project (WDTIP).
CHARGES	Costs are accumulated from the HHSDC's resource billing files, training records, and AER files. These costs are billed to the CDSS via Memobill process on a monthly basis.

COST CENTER 630 - SFIS

Attribute	Description
COST ALLOCATION	This cost center contains all nondedicated costs associated with the Statewide Fingerprint Imaging System (SFIS) project.
CHARGES	Costs are accumulated from the HHSDC's resource billing files, training records, and AER files. These costs are billed to the CDSS via Memobill process on a monthly basis.

COST CENTER 631 – SFIS DEDICATED

Attribute	Description
COST ALLOCATION	This cost center contains all dedicated costs associated with the SFIS project.
CHARGES	Costs are accumulated from the HHSDC's resource billing files, training records, and AER files. These costs are billed to the CDSS via Memobill process on a monthly basis.

COST CENTER 635 – EBT

Attribute	Description
COST ALLOCATION	This cost center contains all nondedicated costs associated with the Electronic Benefit Transfer (EBT) project.
CHARGES	Costs are accumulated from the HHSDC's resource billing files, training records, and AER files. These costs are billed to the CDSS via Memobill process on a monthly basis.

COST CENTER 636 – EBT DEDICATED

Attribute	Description
COST ALLOCATION	This cost center contains all dedicated costs associated with the EBT project.
CHARGES	Costs are accumulated from the HHSDC's resource billing files, training records, and AER files. These costs are billed to the CDSS via Memobill process on a monthly basis.

COST CENTER 637 – WDTIP DEDICATED

Attribute	Description
COST ALLOCATION	This cost center contains all dedicated costs associated with WDTIP.

COST CENTER 637 – WDTIP DEDICATED (continued)

Attribute	Description
CHARGES	Costs are accumulated from the HHSDC's resource billing files, training records, and AER files. These costs are billed to the CDSS via Memobill process on a monthly basis.

COST CENTER 638 – WRIM DEDICATED

Attribute	Description
COST ALLOCATION	This cost center contains all dedicated costs associated with Welfare Reform and Infrastructure Modifications (WRIM) project.
CHARGES	Costs are accumulated from the HHSDC's resource billing files, training records, and AER files. These costs are billed to the CDSS via Memobill process on a monthly basis.

COST CENTER 670 – SAWS

Attribute	Description
COST ALLOCATION	This cost center contains all nondedicated costs associated with the Statewide Automated Welfare System (SAWS) project.
CHARGES	Costs are accumulated from the HHSDC's resource billing files, training records, and AER files. These costs are billed to the CDSS via Memobill process on a monthly basis.

COST CENTER 671 – SAWS DEDICATED

Attribute	Description
COST ALLOCATION	This cost center contains all dedicated costs associated with SAWS project.
CHARGES	Costs are accumulated from the HHSDC's resource billing files, training records, and AER files. These costs are billed to the CDSS via Memobill process on a monthly basis.

COST CENTER 690 – CWS/CMS

Attribute	Description
COST ALLOCATION	This cost center contains all nondedicated costs associated with the Child Welfare Services / Case Management System (CWS/CMS) project.
CHARGES	Costs are accumulated from the HHSDC's resource billing files, training records, and AER files. These costs are billed to the CDSS via Memobill process on a monthly basis.

COST CENTER 691 – CWS/CMS DEDICATED

Attribute	Description
COST ALLOCATION	This cost center contains all dedicated costs associated with the CWS/CMS project.
CHARGES	Costs are accumulated from HHSDC's resource billing files, training records, and AER files. These costs are billed to the CDSS via Memobill process on a monthly basis.

COST CENTER 760 – SID MANAGEMENT

Attribute	Description
COST ALLOCATION	This cost center contains all Systems Integration Division (SID) management costs as allocated by the use of pseudo cost centers to each of the individual SID projects.
CHARGES	There is no specific rate for this cost center.

DEPARTMENT IDs AND ACCOUNT CODES

Department ID User Codes are assigned by the HHSDC's Rates and Cost Recovery Branch. All attempts are made to coordinate the establishment of the HHSDC's department ID user codes with Teale Data Center's department IDs, since some departments are customers of both data centers. The assigned user code will consist of two characters. A potential customer may request a department ID user code through the service request process or by contacting their designated customer service representative for assistance with the process. Rates and Cost Recovery section will notify the customer directly, or the customer service representative, as appropriate, to inform them of the assigned user code. The user code is incorporated as a high level qualifier to catalog data sets, track customer resource utilization, and produce billing invoices.

The complete account code is comprised of ten characters. The first two represent the HHSDC's assigned department ID user code, as stated above. The remaining eight characters are available for the customer to format and maintain. These characters are not validated by the HHSDC. The customer can use letters, numbers, or a combination of both to establish an account code that will identify for them the service type, project name, or any other required tracking information. The account code can be established directly by the customer on the service request form, or the customer may contact their designated customer service representative.

Exception: The only exception applies to County entities. For HHSDC tracking purposes County user codes are three characters in length. The remaining seven characters are available for the County customer to format.

INVOICING/BILLING

The HHSDC sends electronic and/or hardcopy bills to its customers on a monthly basis. The HHSDC requests that bills be scheduled for payment within 20 days after being received. Any corrections to customer bills should be requested through the RFA process. See "BILLING CORRECTIONS/ADJUSTMENTS - RFAs" in this section.

THE MVS INTEGRATED CONTROL SYSTEM (MICS) BILLING SYSTEM

The MICS billing system uses SMF data and other external billing data to build a database. The MICS job BATJOB collects information on resource consumption at the job level. Job utilization counts are multiplied by the appropriate rate to get the costing information. All of this information is used to build a daily database. The same information is used to build a monthly database, which is sorted at the account code level and used to create user invoices.

BILLING OUTPUT

Outputs from the billing system are comprised of the following components:

1. Memorandum
2. Invoice Summary
3. Monthly invoice by:
    A. Department code level
    B. Account code level
4. Invoice credit supplement report
5. Summary of CICS charges by:
    A. Account code
    B. Region
6. Summary of IDMS charges by account code
7. Summary of ADABAS charges
8. Online microfiche processing
9. Dedicated Network Access charges by account code
10. Dedicated communications links charges by account code
11. Dedicated communications charges by account code
12. Dedicated frame relay communications charges by account code
13. Dedicated hardware back billing charges from prior FY to current FY by account code
14. Dedicated hardware back billing charges by account code
15. Dedicated hardware charges by account code
16. Dedicated software back billing charges by account code
17. Dedicated software charges by account code
18. Dedicated hardware charges
19. Dedicated software charges
20. Summary of Network Access charges by account code
21. Summary of Non-ADN Access charges by account code
22. Summary of communication circuit charges by account code
23. Summary of Non-AND communication link charges by account code
24. 3270 Dial-up detail charges
25. HHSDC remote LAN dial-up Cost Center 277 charges
26. HHSDC remote access VPN usage charges Cost Center 278
27. Summary accounting
28. Debit listing
29. HHSDC Network Install charges
30. RFA Report

BILLING OUTPUT (continued)

These outputs are subject to a quality control check for reasonableness, accuracy, and completeness. Finally, the components are assembled into individual invoice packages for each customer and sent out by the eighth working day of each month. In addition, some HHSDC customers now receive their output via online flat file.

ADMINISTRATIVE SERVICES CHARGE

All customer purchases of equipment, software, manuals, and/or supplies which are not used in direct or pass-through connection with the HHSDC will be assessed an administrative handling charge. In addition, this administrative handling charge will apply to any requests for billing outside the customers' IAAs. The administrative charge is five percent of purchase up to a maximum of $850 per document.

BILLING CORRECTIONS/ADJUSTMENTS - RFAs

Customers may request adjustments to their bills through the RFA process. RFAs are submitted through the HHSDC Operations Coordinator or HHSDC Special Projects Coordinator. Typically, the requests for job run adjustments will go to the Operations Coordinator located at HHSDC MS 422. The Operations Coordinator will submit the RFA with the attached problem report to the appropriate division for approval. If the division approves the RFA, it will be submitted by the Operations Coordinator into the billing process. If not approved, the Operations Coordinator will send the RFA back to the submitting agency.

All other RFAs go to the RFA coordinator in the Rates and Cost Recovery Branch located at HHSDC MS 223. RFAs will be reviewed, and if there is a discrepancy they will be returned to the customer to resolve. Otherwise, the RFA will be submitted into the next monthly billing cycle. There are two types of RFAs:

Current Debit	This is usually a charge for nonsystem resources, such as outright purchases of items, user or transportation/freight charges for user equipment, user training, technical manuals, or on-call maintenance for user equipment, etc.
Past Credit	This is a credit which is used primarily to adjust prior erroneous billings.

Both RFA credits and debits appear in the customers monthly (MICS) user invoice package. Specifically, the RFA credits are located in the Invoice Credit Supplement Report and the RFA debits are located in the Peripheral Services Charges Section. RFAs can only be accepted for the 12 months prior to the current billing cycle, and preferably by fiscal year.

REVIEW and RECONCILIATION

REVIEW PROCESS

Rates are reviewed and approved by HHSDC's cost center managers and Executive Staff. Customers also review and approve the rate package in the forum of the Agency's PAC. PAC members are the CIOs or department representatives from the major customer departments/offices serviced by the HHSDC.

RECONCILIATION

- The Revenue Summary Report from the billing system is generated monthly, which summarizes total revenue generated by each cost center.

- The AERs are run from the accounting systems monthly, and summarize total expenditures incurred for each cost center.

- An Over/Under Analysis Report is produced for each fiscal year using data from the billing and accounting systems. This report subtracts the total expenses for each cost center from the total revenue generated. The result is an over or under collection amount as well as a calculated percentage of the over or under collection relative to the expenses incurred. This over or under collection is then allocated back to the users based on each user's percentage of the total revenue billed in the cost center. If the analysis report indicates that customer rebates are necessary, they will be issued in accordance with the HHSDC'S Over/Under Collection Policy.